

ADOT Professional Services Task Force Meeting

Date & Time: January 25, 2011, 10:00 a.m. to Noon

Location: ADOT HRDC

Attendees: Steve Gangwal, Dawn Cartier, Patti Tellez, Jeremy Bader, Anne Marie Haenfler, Alice Maro, Margerie Green, Merwin Yellowhair, Dennis Roberts, John Alcorn, Debra Weisberg, Michael Book, Eugenia Mena, Enamual Hoque, Anoop Batra, Joe Cirone, Ken Pratt, Susan Medland, Joseph Spadafino, Ogbonna Abarikwu, Omar Cervantes, Robert Apodaca. Copy of sign in sheet attached.

Professional Services Task Force Summary:

The ADOT Professional Services Task Force was formed to identify the barriers faced by DBE professional services firms when attempting to do ADOT work. The task force will attempt to solve barriers to entry for professional services firms.

Meeting Minutes

1. Call to Order: The meeting was called to order by Steve Gangwal, Task Force Chair, at 10:05 a.m. The meeting began with introductions for the benefit of all the new members.
2. Recap: 2010: Dawn Cartier led us into the second agenda item "Recap: 2010". She discussed all the activity seen through ADOT DBE Supportive Services. Outreach has increased to both DBE firms and primes. The programs she reviewed were...
 - Three regional conferences (Prescott, Phoenix, and Tucson)
 - DBE Expo
 - FHWA Workshop
 - Prime contractor open houses
 - Task Forces
 - Speed Networking
 - Preparing to Prime
 - Management and Technical Assistance
 - ASU Academy for Construction Excellence (ACE) DBE Academy

Dawn explained that the calendar for 2011 is still being developed and that a focus group was convened to discuss what worked best for DBE firms from last year's events.

3. DBE Utilization to Date: Patti Tellez explained that the Task Force will be asking ADOT monthly for their current DBE utilization on all projects awarded. She explained that the efforts of the task force and all DBE Supportive Services efforts are effective if they result in DBE utilization. The task force will ask for this monthly from ADOT to communicate that it is a priority for task force participants. Task Force participants would like to see the names of firms utilized as well as overall utilization.

4. Survey Results: Patti Tellez passed around the survey sent by Task Force leaders via email to professional services firms last fall. Although response was low, she explained that the biggest barriers were evident. The top barriers identified were:
 - a. RFQ's indicate scoring is based on having ADOT experience
 - b. Prime consultants only want to use subconsultants that have ADOT experience
 - c. Contract size does not allow smaller firms to be considered.
 - d. DBE firms do not know people with ADOT, or have difficulty meeting them.

She explained that the Task Force has already begun working on these items. Task force leadership has pointed out the RFQ point system to both Vivien Lattibeaudiere, head of Engineering and Contracts Specifications section, and Floyd Roehrich, the State Engineer. She also introduced the results of the meeting with the Director's staff, where the State Engineer agreed to support the Task Force and make the project managers available for DBE open houses.

She asked if there were any other comments on barriers to entry. Task Force participants identified additional problems not on the survey:

- Debra Weisberg – Feels like the prime consultants are just doing good faith efforts and don't care about the one on one meetings they have with us.
- Michael Book – Primes already have familiar companies they use; they don't want to try a new company they haven't used before.
- Margerie Green – An item on the survey that needs discussion is being restricted to what can be charged for employees. She would like to know how the primes put together their pricing and how to take advantage of rate changes proposed by the primes for multi-year contracts. Patti Tellez explained that this issue could be addressed in a training regarding cost and rate development and price proposals.

5. Meeting with Director Hallikowski: Steve Gangwal explained that Dawn Cartier, Ogbonna Abarikwu, Patti Tellez, and he scheduled a meeting with Director Hallikowski to discuss the issue of the on-call procurement process and the many projects slated to be released without any real DBE goals or compliance measures. The concern was that once the on-calls were awarded, primes would not be obligated to utilize DBEs. It had been common practice for primes to list DBE firms in their proposal but never use them for any work on an on-call project. The on-calls also represent much of the work and task size that is sought by DBE firms. The task force intended to ask the Director to postpone all procurements until DBE goals and compliance requirements could be added to the procurements.

Although the Director was not at the meeting, he asked the group to meet with Floyd Roerich, John Bogart, and Nancy Lopez. The task force representatives explained their concern, including that the current procurement method would result in ADOT not reaching its DBE utilization goal for the next five years. They explained that they understood the concern and had looked at their current procurement methods. They had already halted all future procurements until

they could get approval from FHWA for their goal setting procedure on on-call contracts. They expected an answer from FHWA by early February.

The discussion went further into other items and examples of practices which hindered DBE participation in ADOT. Task force representatives showed examples of current procurement language requiring previous ADOT experience, and the ECS manual encouraging DBE participation but not requiring any reporting mechanism of actual utilization. The group also discussed tactics used by ECS to increase opportunities for a diverse set up professional services consultants, including location of work points, and current workload points.

Finally, the task force leaders discussed some specific relationships that needed to be built between ECS and the DBE community. They asked for the DBE Liaison to attend task force meeting and communicate issues that affect DBEs to the director. Nancy Gomez stated that she is the DBE Liaison. The task force asked for ECS participation in the task force to understand issues affecting this stakeholder group in the industry. Floyd Roerich agreed to participate in the task force and maintain an ECS presence as is done with ACEC and other industry groups. The group discussed the relationship barrier between ADOT and DBE consultants; Floyd Roerich said he would encourage open house style meet and greets for DBEs to meet the project managers and decision makers.

6. Task Force Priorities for 2011

- a. Regularly schedule meetings, with consistent date, time and location. The task force will meet the last Tuesday of each month at 10:00 a.m. at the ADOT HRDC. Participants are asked to mark their calendars and make this a priority.
- b. Committed group of Core Members. The task force is going to begin inviting ADOT representatives to the meetings. For the task force to maintain credibility, DBE firms must be committed to the activities of the task force, including participating monthly in the task force. Task force leadership is willing to send the agenda out early to firms who indicate they will participate as core group members. These firms would also get invited to any events that ADOT DBE Supportive Services is hosting.
- c. New Linked In Group for DBE PSTF. While the Task Force has specific goals it is trying to achieve, Dawn Cartier would like to encourage an exchange of ideas and comments through LinkedIn. She created a LinkedIn group for the task force. Interested members should contact Dawn Cartier.
- d. DBE Directory and NAICS Codes. The DBE Directory is the primary location for prime consultants to search for and find DBE certified firms. The directory allows DBE firms to list their industry classifications. The Task Force recommends that all firms search for their company using their known NAICS codes and ensure that their entries are complete. Jeremy Bader and Patti Tellez have found glitches in the search results when using the DBE directory.

7. Action Items

- Email Jeremy Bader if you'd like to be a core group member
- Email Dawn Cartier if you'd like to be added to the PFSTF linked in group

- Attend the ACEC/APWA Legislative Luncheon on the Lawn on 02/22/2011. (The task force meeting for February has been moved to Wednesday due to this event.)
 - Recruit people for the next Task Force meeting.
8. Next meeting: Wednesday, February 23, 2011, 10:00 a.m. at ADOT HRDC. Invited Guest: Floyd Roerich – ADOT State Engineer to discuss status of DBE goals on on-call procurements.
 9. Meeting adjourned at 12:00 pm

Minutes submitted by Jeremy Bader, Project Coordinator, Kuniklo Corporation.